## **AMENDMENTS TO THE CLAIMS**

Please amend the claims as follows. The claims are in the format as required by 35 C.F.R. § 1.121.

1-18. (Cancelled).

19. (Previously Presented) A computer-readable medium carrying computer-executable instructions for modeling an operating parameter for a store, comprising: code for collecting transaction data containing quantities of a plurality of items; code for changing row order of the transaction data so that all records for each item are in contiguous rows;

code for constructing quantity and price timeseries for each of the plurality of items;

code for generating a first matrix of correlation factors utilizing the quantity and price timeseries;

code for identifying top positive and negative correlated items via the first matrix; code for generating a second matrix of weighing factors in which the weighing factors of the top positive and negative correlated items have non-zero values and the weighing factors of all other items are assigned a value of zero; and

code for calculating the operating parameter utilizing the second matrix of weighing factors.

- 20. (New) The computer-readable medium of claim 19, wherein the operating parameter corresponds to a demand, a revenue, or a profit associated with the plurality of items.
- 21. (New) The computer-readable medium of claim 19, wherein at least two of the plurality of items belong to different categories.

- 22. (New) The computer-readable medium of claim 21, wherein the plurality of items correspond to retail products being sold within the store, the retail products being divided into the different categories.
- 23. (New) The computer-readable medium of claim 19, further comprising: code for predicting a demand on quantity for each of the plurality of items.
- 24. (New) The computer-readable medium of claim 23, further comprising: code for determining an effect of a price change on the demand on quantity.
- 25. (New) The computer-readable medium of claim 23, further comprising: code for determining correlations between one or more variables and the demand on quantity.
- 26. (New) The computer-readable medium of claim 25, wherein the one or more variables include externalities, lag-demand-terms, and global-price-terms.
- 27. (New) A computer system for modeling an operating parameter for a store, comprising:

a database for storing transaction data associated with a plurality of items corresponding to a plurality of retail products being sold within the store; and

a computer-readable medium carrying program instructions for modeling the operating parameter for the store, the program instructions executable to:

collect transaction data containing quantities of the plurality of items;

change row order of the transaction data so that all records for each item are in contiguous rows;

construct quantity and price timeseries for each of the plurality of items; generate a first matrix of correlation factors utilizing the quantity and price timeseries;

identify top positive and negative correlated items via the first matrix;

generate a second matrix of weighing factors in which the weighing factors of the top positive and negative correlated items have non-zero values and the weighing factors of all other items are assigned a value of zero; and

calculate the operating parameter utilizing the second matrix of weighing factors.

- 28. (New) The computer system of claim 27, wherein the operating parameter corresponds to a demand, a revenue, or a profit associated with the plurality of items.
- 29. (New) The computer system of claim 27, wherein at least two of the plurality of items belong to different categories.
- 30. (New) The computer system of claim 27, wherein the program instructions further executable to predict a demand on quantity for each of the plurality of items.
- 31. (New) The computer system of claim 30, wherein the program instructions further executable to determine an effect of a price change on the demand on quantity.
- 32. (New) The computer system of claim 30, wherein the program instructions further executable to determine correlations between one or more variables and the demand on quantity.
- 33. (New) The computer system of claim 30, wherein the one or more variables include externalities, lag-demand-terms, and global-price-terms.